

Department of Public Health
and Human Services

Section:
INCOME

SUPPLEMENTAL NUTRITION ASSISTANCE
PROGRAM (SNAP)

Subject:
Unearned Income

Supersedes: FS 501-1 (04/01/08)

References: 7 CFR 273.2, 273.9, 273.11

GENERAL RULE -- All unearned income received by the filing unit is considered when determining eligibility for SNAP. All unearned income, whether countable or excluded according to policy, is entered and coded appropriately on the TEAMS UNIN screen.

**ADOPTION
SUBSIDIES
(TITLE IV)**

Title IV adoption subsidies are intended to pay for general living expenses and are countable unearned income to the child; code 'OT' against the child.

NOTE: The adoption subsidy is excluded as a reimbursement for child care if the responsible adult for the child is working, seeking employment, or it is a reimbursement for a medical expense. A child care deduction is not allowed when the subsidy is a reimbursement for child care.

**AGENT ORANGE
SETTLEMENT**

Payments from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the Agent Orange Product Liability Litigation are excluded; code 'OX'.

NOTE: Payments of veterans' benefits to veterans with service-connected disabilities resulting from exposure to Agent Orange are countable; code 'VA'.

**ANNUITY
PAYMENT**

Annuities are contracts or agreements providing for the payment of income at regular intervals (e.g., monthly, quarterly, annually, etc.).

The annuity is excluded as a resource if payments are paid from the annuity. The payments are countable unearned income. If recurring payments are received on a regular basis, the payments are averaged over the period of intended use (e.g., an annuity paid on an annual basis is annualized).

**ASSISTANCE
PROGRAMS**

All federal, state, or local assistance paid directly to the household is countable unearned income.

Assistance payments include the following:

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1. Supplemental Security Income (SSI; also known as Title XVI benefits); code 'SI'.
2. Retirement, Survivors and Disability Insurance (RSDI; also known as Title II benefits); code 'SS'.
3. State Supplemental Payments (SSP); code 'ST'.

NOTE: 'SI', 'SS' and 'ST' benefits should automatically interface on UNIN based on Social Security tapes matched with TEAMS. The OPA Case Manager accesses the SOLQ query to determine correct SSI and RSDI when the amount is questionable.

NOTE: When the interface occurs too late in the month to give timely notice, adjust the income for the benefit month using the previous month's income amount and set an alert to change the income for the following month.

4. TANF cash assistance automatically interfaces when authorized; code 'AF'.

NOTE: TANF and Tribal TANF count against the specified relative receiving SNAP benefits and cash assistance even when a portion of the payment is intended for an individual who is temporarily absent from the household.

NOTE: SNAP benefits are not increased when a portion of a means-tested program (TANF, Tribal TANF, Bureau of Indian Affairs (BIA) General Assistance) is being recouped for a prior household caused overpayment (SNAP 602-5).

5. Tribal TANF amount does not automatically interface; code 'TT'.
6. Bureau of Indian Affairs (BIA) General Assistance; code 'GA'.
7. TANF supplement payment for child support collected for TANF recipients; code 'CS SP' on UNIN against whom the payment was issued. The income is prospectively in the same manner as child support income (SNAP 501-1).



8. TANF Post Employment Program automatically interfaces when authorized; code 'AF'.

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CAPITAL GAINS

Capital gains from the sale of **personal** property or a house when not in the business of buying and selling houses are excluded non-recurring lump sums; code 'LS'.

If payment is made in installments instead of a lump sum refer to 'Sale of a Resource' in this section.

'Capital Gains' from the sale of self-employment property (SNAP 503-1).

CHARITABLE DONATIONS

Cash donations based on need from one or more private non-profit charitable organizations are excluded unearned income not to exceed \$300 in a federal fiscal quarter. Federal fiscal quarters run October-December, January-March, April-June, and July-September.

CHILD CARE BLOCK GRANT

Child care payments paid to the parent, whose child is receiving care, are excluded because the parent is obligated to give the payment to the child care provider; code 'OX'.

NOTE: The payment is countable earned income from self-employment when a required filing unit member is the service provider (SNAP 503-1).

CHILD SUPPORT ARREARAGE

Child support arrearages received on a regular monthly payment schedule are part of the current payment and are countable; code 'CS AR'.

A child support arrearage paid in a one-time payment is considered a nonrecurring lump sum and is excluded; code 'LS'.

CHILD SUPPORT OR ALIMONY

Payments paid directly to the household are countable income; code 'CS' against the child(ren) it is intended to support.

Money legally obligated and otherwise payable to the household but diverted to a third party (e.g., recovery fee) is countable income.

Evaluate the child support order to determine the correct amount attributable to each child. If the order does not indicate an amount per child, assume the amount received is equally distributed to all minor children of the absent parent living in the household.

If the household where the child is living is not receiving the child support income, the child support is not counted against that household. It is counted against the person to whom the check is written.

Example: Child moves out of the household.

The child support is being passed on to the child; code 'CS' against the child.

The income is not being passed on to the child; code 'CS' against the person to whom the check is written.

When child support is being reduced to repay over issued child support, the net amount of income is countable. The net amount of child support income is found on the WAP screen on SEARCHS.

Child support income is countable when the household keeps the child support received prior to the initial authorization of TANF or Tribal TANF; code 'CS'.

All child support income received after initial TANF benefit authorization is excluded income due to the requirement to turn the money over to the Child Support Enforcement Division (CSED); code 'OX'. There is not an over payment for SNAP for this situation.

COMBAT PAY

When determining the household's income for SNAP purposes, the OPA Case Manager must determine if any monies made available to a household by an absent member deployed to a designated combat zone are excluded.

1. For SNAP purposes, the OPA Case Manager must first establish what amount of the military person's pay was actually available to the household prior to the deployment of the military person to a designated combat zone.
 - a. If the military person was part of the household for SNAP purposes prior to deployment, this amount would be his/her net military pay.

Example: Household consists of husband, wife, and one child. Wife receives \$400 gross income per month from weekend guard pay that is being budgeted as earned income to determine the SNAP allotment.

The household reports the wife was notified she will be going out of state for four weeks of training then will be deployed to a combat zone. The wife's gross income now includes training

pay and exceeds the GMI. The wife is removed because she is no longer in the household. The wife's net income available to the household from guard duty is \$200 and is countable unearned income to the household. The household remains eligible.

The wife is deployed to a combat zone, and the amount the household begins receiving is \$1,500. The \$1,300 in excess of the previous net pay is excluded from income as combat pay.

- b. If the military person **was not part** of the household for SNAP purposes prior to the military person's deployment, the amount the absent military person was actually making available to the SNAP household prior to deployment is counted as unearned income.

Example: Household consists of wife and two children. Husband is military person and is not included in the household. \$1,100 of the husband's income is the amount available to the SNAP household and is being budgeted as unearned income to determine the household's SNAP allotment.

The husband is deployed to a combat zone, and the amount the household begins receiving is \$1,500. The \$400 in excess of the previous net pay is excluded from income as combat pay.

2. The OPA Case Manager must then determine the amount of military pay that the deployed absent military member is making available to the SNAP household.
3. If the amount of military pay the absent member (deployed in a designated combat zone) is making available is equal to or less than the amount the household was receiving from the military person prior to deployment to a designated combat zone, all of the allotment would be counted as unearned income to the household for SNAP purposes. Any portion of the amount that exceeds the amount the household was receiving prior to deployment of the military person to a designated combat zone should be excluded when determining the household's income for SNAP purposes.

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To document the deployed person's income and location, the person's Leave and Earnings Statement (LES) will identify combat pay if it is being received and can be used to establish deployment to a combat zone and the amount of combat pay. Deployment to a combat zone can also be established through orders issued to the military person. Some households may have access to the information via the web. Assistance can also be sought via the local base financial office.

If needed, contact the Regional Policy Specialist for a list of combat zone tax exclusion areas.

COMMUNITY SERVICES ADMINISTRATION

Payments from the Crisis Intervention Program (CIP) administered by the Community Services Administration (CSA) are excluded; code 'OX'.

CONTRACT FOR DEED

If a contract for deed is excluded as a resource, the payments received from that contract for deed are countable unearned income. The costs of doing business are deducted from the gross income to arrive at the countable net income. The income is countable over the period it is intended to cover; code 'OT'.

NOTE: Allowable business expenses for the cost of doing business include: payments on the principal of the purchase price of income producing real estate and capital assets, equipment, machinery, and other durable goods; interest paid to purchase income producing property; insurance premiums; escrow fees; and, taxes paid on income producing property (SNAP 503-1).

Both the interest earned and the portion of the payment for the principal are countable income after the allowable costs of doing business when the contract for deed is an excluded resource.

If the contract for deed is a countable resource, only the interest payment minus cost of doing business is counted as income; code 'OF'.

CONTRIBUTIONS

Contributions that can be anticipated to be received from an outside source and cannot be excluded as a nonrecurring lump sum, loan, or irregular/infrequent income are countable unearned income to the household; code 'CO'.

CRIME VICTIM COMPENSATION

Payments received under this program, regardless of the circumstances of payment, are excluded; code 'OX'.

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DISASTER RELIEF ACT

Payments issued as a result of a Presidential declared emergency or major disaster as defined in this Act, as amended, are excluded; code 'OX'.

The exclusion applies to federal assistance provided to individuals directly affected and to comparable disaster assistance provided by states, local governments, and disaster assistance organizations.

DISASTER UNEMPLOYMENT

Public Law 100-707 authorizes the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act to pay Disaster Unemployment Assistance to any individual unemployed as a result of a major disaster. Individuals cannot receive disaster unemployment benefits if they are eligible for any other unemployment compensation. Payments are limited to 26 weeks.

Because disaster unemployment assistance is considered Federal major disaster and emergency assistance under the Stafford Act, it cannot be considered as income or as a resource when determining SNAP benefits. The source of the unemployment income only needs to be verified if the household member suffered a job loss or was unemployed due to a recent disaster.

EDUCATIONAL INCOME

Educational grants, loans, scholarships, stipends and VA education payments that are directly related to the individual's attendance at an institution of higher education are excluded; code 'ED'.

ENERGY PAYMENTS

Energy payments to households such as, Section 8/HUD Utilities Payments, LIEAP payments, and Farmer's Home Administration (FHA) Rent Subsidy Payments, are excluded; code 'OX'.

EXCEPTION:

The portions of public assistance grants (e.g., TANF or General Assistance benefits) paid for the purpose of energy payments are countable unearned income. Montana's TANF program does not include energy payments in the grant amount. However, other states may have this option in their state plan.

FEMA FUNDS

Federal Emergency Management Assistance (FEMA) funds made to homeless people to pay for rent, food, and utility assistance when there is **no** major disaster or emergency, are countable; code 'OT'.

FEMA funds provided as rent payments to households facing eviction or payments for food or clothing are countable unearned income if they are received on a regular basis; code 'OT'.

When FEMA pays the rent directly to the landlord, the amount is considered a vendor payment and is excluded.

If the payment is related to a disaster see 'Disaster Relief' in this section.

FOSTER CARE

If the household chooses to include the foster child or adult as a filing unit member, the individual is coded 'IN' on FS SEPA and the foster care income is countable; code 'FC CI' against the foster child or adult.

If the household chooses to exclude the foster child or adult as a filing unit member, the individual is coded 'OU' on FS SEPA and the foster care income is excluded; code 'FC CI' against the foster child or adult.

GARNISHMENT

The gross income is counted to determine benefits if unearned income is garnished for a purpose not related to an overpayment from the same income source.

Example: If Workers' Compensation is garnished for child support, the gross Workers' Compensation payment is countable; code 'WC'.

If income is being reduced to repay over issued income from the same income source, see 'Recoupments for Overpayments' in this section.

The portion of a military retirement payment paid to an ex-spouse under a divorce decree property settlement is **not counted as income to the retiree**; the full payment to a **retired civil servant is countable income** (see 'Veterans Administration' in this section).

GIFTS

Monetary gifts to the household such as money received as a birthday, anniversary, graduation, or Christmas presents, are generally excluded. The exclusion is usually due to the inability to prospect the income or gift and is usually excluded as a nonrecurring lump sum or irregular/infrequent payment.

Monetary gifts that can be prospected are countable and are not considered nonrecurring lump sums or irregular/infrequent payments.

Countable gifts given to an entire household are prorated among the household members.

Example: A \$300 gift given to a household of six for Christmas is prorated as \$50 per household member - $\$300 \div 6 = \50 each.

**HEALTH CARE
IMPROVEMENT
ACT OF 2000**

Payments paid under Health Care Improvement Act of 2000 for the children of women Vietnam veterans who suffer from certain birth defects are excluded from income and resources.

**HOME EQUITY
CONVERSION
PLAN**

There are several variations of Home Equity Conversion Plans allowing households to borrow money or receive payments against the value of their home. The most common conversion plans are either a Reverse Annuity Mortgage Loan Program (RAM) or a Home Equity Conversion Sale Leaseback Program. A case-by-case review must be made to determine if the money is countable unearned income or an excluded loan.

Reverse Annuity Mortgage - payments received from a Reverse Annuity Mortgage loan program (RAM) are excluded income because they are considered a loan; code 'LO'.

The loan agreement between the mortgage company and the homeowner is used to verify when the loan is to be repaid.

Generally repayment begins when the:

1. House is sold;
2. Owners no longer occupy the house; or,
3. Owners die and repayment is taken from the settlement of the estate.

Home Equity Conversion Sale Leaseback Program - the house is sold under this program to an investor who pays the homeowner the purchase price in a series of payments and gives the homeowner a lease to live in the home for a specific period of time (sometimes until death). It is necessary to review each sale-leaseback transaction to evaluate the specific financial arrangements to determine if the proceeds from the property are income or a resource.

Lump sum payments are a resource in the month received.

Monthly payments are countable unearned income.

Home equity loans, see 'Loans' in this section.

**IN-KIND
BENEFITS**

SNAP 502-1

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**INCOME TAX
REFUND/CREDIT**

Income tax returns are excluded as a nonrecurring lump sum; code 'OX'.

NOTE: Earned Income Tax Credit payments and the Child Tax Credit received as an advance payment or as a refund are excluded earned income; code 'EI'.

**INDIVIDUAL
DEVELOPMENT
ACCOUNT (IDA)**

An IDA may be established by or on behalf of an individual eligible for TANF assistance. An IDA is created and funded through periodic IDA contributions by an individual and matched by or through a not-for-profit organization or a state or local government agency in cooperation with such organization. The purpose of the account is to enable an individual to accumulate funds for post-secondary education, first home purchase, or business capitalization.

Only earned income can be deposited into an IDA. The gross earnings are counted as wages before deposited; code 'WA' on EAIN.

If funds are withdrawn, for whatever reason, they are not considered income to the household because they were already counted as wages. The funds are still not considered income when withdrawn even if the income was not counted against a Montana case when deposited. Interest earned on the IDA is excluded.

**INTEREST,
DIVIDEND,
ROYALTY INCOME**

Interest, dividend and royalty income are countable because it is a gain or benefit to the household. This includes interest income earned on a bank account; code 'OF' or 'RO'.

NOTE: The household's statement is accepted as verification of interest income when the household reports its interest income is \$10 or less per month or \$120 or less per year.

Royalties from Indian lands, oil, gas, and timber (SNAP 501-2).

Definition of Royalties - royalties include compensation paid to the owner for the use of property usually copyrighted material such as books, music, etc., or natural resources such as mineral, oil, gravel, or timber.

Royalties are unearned income unless they are received as part of a trade or business. The cost of producing the income can only be deducted if the income is from a self-employment business (SNAP 503-1).

Since interest, dividend, and royalty income are received on a regular basis, royalties **cannot** be considered irregular or infrequent. The

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income must be counted regardless of the amount. The OPA Case Manager determines to average payments over the period they cover.

IRREGULAR OR INFREQUENT INCOME

Irregular or infrequent income is excluded if the income of **all** household members does not exceed \$30 in a quarter; for amounts under \$30 code 'OX'; code 'OF' the amount over \$30. The entire amount is entered not just the amount in excess of \$30. Interest income is **NOT** irregular or infrequent.

The OPA Case Manager must evaluate the amount of income received and how often it is received to determine how to budget the income.

LEASE INCOME

Lease income from Indian Lands (SNAP 501-2).

Lease income unrelated to Native American resources is countable; code 'LE'.

The anticipated income is prorated over the period of time it was intended to cover.

Example: If the lease is for a six month period of time but the payment is only made once in that six month period, the income is averaged over six months beginning with the month the payment is made to the household.

When the filing unit is in the business of buying and selling leases or managing lease property, the income is considered self-employment (SNAP 503-1).

LOANS RECEIVED BY HOUSEHOLD

All valid loans including loans from private individuals and commercial institutions are excluded; code 'LO'.

Educational loans (SNAP 504-1).

NOTE: All loans received, other than deferred repayment educational loans, are considered resources since they are available as liquid resources (cash on hand or in checking accounts) until the money from the loan is spent.

Verification of a valid loan: A written or oral statement indicating the money received is a loan and is to be repaid at a future date. It is a best practice to request the loan statement be written and signed by both parties.

LOAN REPAYMENTS The principal of a loan repayment is excluded unearned income;

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TO HOUSEHOLD code 'LO'.

The interest is considered countable unearned income; code 'OF'.

It does not matter if the loan balance is an accessible (countable) resource or not.

LUMP SUM PAYMENTS Nonrecurring lump sum payments are excluded income; code 'LS'.

NATIONAL FLOOD INSURANCE ACT Public Law 109-64 enacted September 20, 2005 amends the National Flood Insurance Act of 1968. All payments made under NFIP for flood mitigation activities are not counted as income or resources of the owner of the property when determining eligibility for SNAP benefits. The Federal Emergency Management Agency awards grants to States and communities that distribute the funds to individuals and businesses for activities that reduce the risk of repetitive flood damage.

NATIONAL SCHOOL LUNCH PROGRAM OR NUTRITIONAL PROGRAM FOR THE ELDERLY The value of assistance to children and elderly under these Acts is not income and is not required to be listed on TEAMS.

NAZI PERSECUTION VICTIMS Payments to individuals because of their status as victims of Nazi persecution are excluded; code 'OX'.

► PASS THROUGH PAYMENT Separate households residing in the same residence are allowed the actual amount of rent they are billed as a shelter deduction. When households reside together and neither household owns the residence, a rent payment made from one household to another is exempt as pass-through shelter payment up to the full amount of rent billed. If the payment is more than the full rent charged for the residence, the excess payment is unearned income to the household receiving the payment. Refer to 'Rental Income' in this section if the household owns the residence.

PAYMENTS TO PROTECTIVE PAYEE A payee for a SSI recipient or SSDI recipient, in agreement with the Social Security Administration, reduces the SSI or SSDI recipient's cash benefit amount by an agreed upon fee for services provided by the payee. The services for the SSI or SSDI recipient are generally paying bills, making appointments, etc. The SSI or SSDI recipient's countable income is the SSI or SSDI cash benefit amount minus the payee's fee paid by the recipient.

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Monies received and used for the care and maintenance of a third party beneficiary (adult or child) who is not a member of the protective payee's household are excluded as income to the protective payee; code 'OX'.



The portion of money a protective payee receives for services is counted as **earned** income to the protective payee's household; code 'OF' on EAIN.

Example: Mom is receiving RSDI (survivor benefits) protective payee benefit for the minor child (beneficiary) who is not living in the SNAP household. Mom is using the entire \$250 check for her own personal needs with zero benefit to the beneficiary. The \$250 is coded 'OF' on UNIN against Mom and not coded for the child's case. Mom is not being paid for protective payee services, so the income is not considered earned income.



The SDX interface shows the income against the beneficiary only. The amount must be deleted monthly if the child is not receiving the money.

The portion passed through is counted against the child of the SNAP household and not against Mom's household if Mom is passing the money to the household where the child resides.

PENSION PAYMENTS

Recurring payments from pension plans are countable unearned income; code 'GP', 'RR', or 'OP' accordingly.

PLAN FOR ACHIEVING SELF-SUPPORT (PASS)

Income paid to a SSI recipient under a plan for achieving self-support is excluded; code 'OX'.

RADIATION EXPOSURE COMPENSATION ACT

Payments received under this Act are excluded; code 'OX'.

RECOUPMENT FOR PRIOR OVERPAYMENTS

If the recoupment is unrelated to an overpayment from the same source, see 'Garnishments' in this section.

Money withheld from an assistance payment, earned income, OR money received from any income source that is voluntarily or involuntarily returned to repay a previous overpayment from that same

income source must be evaluated to determine if the gross or net income is countable.

NOTE: When an SSI overpayment is being recouped from RSDI payment, the gross amount of RSDI is counted.

When income is reduced to recoup a prior overpayment **and is not** from means-tested program, the NET income (amount after the repayment is taken) is counted regardless of the reason for the overpayment. This includes income such as unemployment, Worker's Compensation, child support (unrelated to TANF), pensions, SSI, RSDI, etc.

If a means-tested program (TANF, Tribal TANF, BIA GA) is reduced to recoup a prior **agency-caused** overpayment, the **net** assistance is counted. If the recoupment is for a **household-caused** overpayment, the **gross** assistance amount is counted (SNAP 602-5).

REIMBURSEMENTS Reimbursements for past or future expenses unrelated to normal living expenses to the extent they do not exceed actual expenses and do not represent a gain or benefit to the household are excluded. The payments must be provided specifically for an identified expense, other than normal living expenses and used for the purpose intended.

Reimbursements for normal living expenses such as mortgage, rent, personal clothing, or food eaten at home are a gain or benefit and **are not excluded** as a reimbursement. These exchanges should be evaluated under other income categories such as, contributions or in-kind income, on a case-by-case basis.

When a reimbursement including a flat allowance, covers multiple expenses, each expense does not have to be separately identified as long as none of the reimbursement covers normal living expenses.

The amount the reimbursement exceeds the actual incurred expense is counted as income. However, reimbursements are not considered to exceed actual expense unless the provider or the household indicates the amount is excessive.

The following are examples of excluded reimbursements:

1. Reimbursements or flat allowances for job or training related expenses such as travel, per diem, uniforms, and transportation to and from the job or training site. Reimbursements provided over and above basic wages for these expenses are excluded. However, these expenses, if not reimbursed, are not deductible.

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Reimbursements for the travel expenses of migrant workers are also excluded.

2. Reimbursements for out-of-pocket expenses of volunteers incurred in the course of their volunteer work.
3. Medical and dependent care reimbursements, including reimbursements from Veterans Administration for 'unusual medical expenses'.
4. Reimbursements received by the filing unit to pay for services provided by Title XX of the Social Security Act.
5. Renters' credit or homeowners' credit.

If the excluded reimbursement is in the form of an earned training allowance, code it as 'TR' on EAIN. All other excluded reimbursements are coded 'OX' on UNIN.

RENTAL INCOME

A property owner/landlord is allowed the full amount of shelter costs (such as mortgage, taxes, insurance) that the household is required to pay to live there. The gross income minus the cost of doing business received from rental property if a household member is not involved in management of the property 20 hours/week or more is countable unearned income to the owner/landlord's household (SNAP 503-1). The OPA Case Manager must calculate the amount of countable income manually (off of TEAMS), using gross income minus the allowable expenses; code 'RE' on UNIN.

NOTE: No portion of expenses can be used as both a shelter cost and a self-employment cost. The allowable costs of doing business are exclusively for the rental space not for common living area or items used in common.

Example 1: Household A owns the home and rents a room to Household B. Both households are receiving SNAP benefits as separate households. Household A has mortgage payment of \$400 (includes taxes and insurance). Household B is responsible for \$100 rent and half of the heating/cooling expense.

Household A is entitled to \$400 for the mortgage expense and the full SUA. The \$100 from Household B is unearned income to Household A. Household A may claim self-employment allowable costs for providing the room such as paint or new carpet for the room.

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Household B is entitled to \$100 rent expense and the full SUA.

Example 2: A SNAP household owns a house separate from its residence and rents out the house. The house is rented for \$600 a month and the renter is responsible to pay all utilities. The only allowable cost of doing business the household reports and verifies is \$325 mortgage including property taxes and insurance. The OPA Case Manager must document in case notes the gross rental income along with the allowable costs of doing business. The OPA Case Manager must manually deduct the cost of doing business from the gross rental income ($\$600 - \$325 = \$275$) and code the net countable income (\$275) 'RE' on UNIN.

SALE OF A A RESOURCE

When income from the sale of a **personal** resource is received in **installment payments**, the payments minus cost of doing business are countable income.

If the installment contract cannot be readily liquidated (e.g., language states that it cannot be sold to a bank or other financial institution), it is inaccessible and excluded.

If proceeds from the sale of a personal resource are received in ONE payment, the payment is not income but a resource in the month received.

Sale of self-employment resource (SNAP 503-1).

SAVINGS OFFER SUCCESS (SOS)

Savings Offer Success (SOS) payments by Rural Inc. (ROI) are privately financed payments to households for a down payment on a house, start-up costs of a self-employment business, or tuition costs for post-secondary education. For every \$1 the individual deposits, ROI will deposit \$3 in matching funds. Matching awards are made from funds not owed to the household and are excluded as income.

Payments from the accounts are vendor payments to a third party on behalf of a household and are excluded as income; code 'OX'.

SEVERANCE PAY

When severance pay is received after employment termination in two or more payments, it is countable unearned income; code 'OF'. If paid in a nonrecurring lump sum, it is excluded; code 'LS'.

SICK LEAVE/

Sick leave or vacation pay received while still employed is countable

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VACATION PAY

earned income (SNAP 502-1).

Vacation pay received after employment termination is considered severance pay.

Sick leave pay that is received in two or more payments after employment termination is countable unearned income; code 'OF'.

If paid in a nonrecurring lump sum, it is excluded; code 'LS'.

SPINA BIFIDA CHILDREN

Payments to children of Vietnam veterans for disabilities resulting from spina bifida are excluded; code 'OX'.

SPONSORED ALIENS

The amount of the sponsor's income deemed to be available to the sponsored alien is countable unearned income (SNAP 301-3).

STRIKER INCOME

If the household was eligible for SNAP benefits the day prior to the strike and is otherwise eligible at the time of application, the household may be eligible for benefits. The benefit is not increased because of the decreased income of the striking member. Compare the striking member's income before the strike to the striker's current income. The higher of the two incomes is countable income.

Income received from the union during a strike (e.g., income from being on a picket line) is countable unearned income; code 'CO'. If the income is actually wages, it is earned income; code 'WA' on EAIN.

SUBSIDIZED GUARDIANSHIP

The income is considered the same as foster care payments.

Payments are countable unearned income to the child when the child is included in the filing unit.

Payments are excluded when the child is not included in the filing unit.

SUPPORTIVE SERVICE PAYMENTS

Supportive services payments to households through TANF are excluded income; code 'OX'.

TEMPORARY DISABILITY INSURANCE

Income is countable to the extent it is not a reimbursement for specific costs and is paid directly to the household; code 'TD'.

Example: Household is receiving payments of \$50 directly from an insurance company to be used as chosen by the household for expenses. Even if the intent of the insurance company is for the beneficiary to use

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payments toward car rental or medical bills, the household is not required to do so. The \$50 is countable; coded 'TD'.

TRUST FUNDS

Trusts must be evaluated for accessibility according to SNAP 402-3.

Monies withdrawn from an inaccessible trust fund, unless otherwise excluded are countable in the month received.

Monies withdrawn from an accessible trust fund are excluded as income because an accessible trust fund is a countable resource. Money cannot be considered income and resource in the same month; code 'OX'.

Monies received and used for the care and maintenance of a third party beneficiary (adult or child) who is not a member of the trustee's filing unit are excluded as income for the trustee; code 'OX'. It is a best practice to list this income on TEAMS.

When the household has the option of receiving the dividend as income or reinvesting in the trust, it is countable unearned income in the month it is available; code 'OT'.

**UNEMPLOYMENT
COMPENSATION**

Unemployment compensation payments are countable; code 'UI'. OPA Case Manager accesses the MISTICS (Department of Labor and Industry) system to verify unemployment benefits.

NOTE: The gross amount of the unemployment payment is countable before taxes or child support is deducted. The child support deduction is allowed when appropriate.

**UNIFORM
RELOCATION
ASSISTANCE**

Payments under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 are excluded; code 'OX'.

These payments include:

1. Payments to individuals displaced as a result of the acquisition of real property;
2. Relocation payments to a displaced homeowner toward the purchase of a replacement dwelling. The payment may only be to a displaced owner who purchases and occupies a dwelling within one year following displacement;
3. Replacement housing payments to a disabled person not eligible for a homeowner's payment as listed above; and,

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4. Payments to U.S. citizens of Japanese ancestry and resident Japanese aliens of up to \$20,000 each and payments to certain eligible Aleuts of up to \$12,000 each.

VENDOR PAYMENTS

A payment made in money on behalf of a household is a vendor payment when an individual or organization outside of the household uses its own funds to make a direct payment to the household's creditors or to a person or organization providing a service to the household. Most vendor payments are excluded; code 'OX'.

Payments made by a government agency to a child care provider for a household member's child care expenses are excluded as vendor payments.

Some countable income exceptions are:

1. Money legally obligated or payable to the household but is diverted by the provider of the payment to a third party for a household expense;
2. Money deducted or diverted from a court-ordered support or alimony payment to a third party for a household expense because the payment is taken from money owed to the household;
3. All or part of TANF or Tribal TANF usually provided in a money payment to the household but is diverted to a third party or a protective payee for purposes such as managing the household's expenses; or,
4. Rent or mortgage payments made to landlords or mortgagees through county or BIA General Assistance.

VETERANS ADMINISTRATION

Payments from the Veterans Administration, retirement, or disability payments are countable; code 'VA'.

EXCEPTION: 'Agent Orange Settlement Fund', 'Spina Bifida', and 'Health Care Improvement Act of 2000'.

The portion of a military retirement payment paid to an ex-spouse under a divorce decree property settlement is **not counted as income to the retiree**. Since retired civil servants are not covered under the Uniform Services Former Spouse Protection Act, the full payment to a **retired civil servant is countable income**. The amount diverted to the ex-spouse is legally obligated and payable to the retired civil

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servant's household. It is not considered legally obligated to the military retiree's household and is excluded for the military retiree.

**VETERANS AID
AND ATTENDANCE
PAYMENTS**

Payments from the Veterans Administration for aid and attendance are countable; code 'VA AA'.

NOTE: If the payments are paid to someone outside of the household for services, they are excluded as a reimbursement.

Attendant care payments, paid by an outside source to the attendant care provider for a disabled/elderly household filing unit member, are countable earned income to the attendant care provider; code 'WA'.

WEATHERIZATION

Federal, state or local one-time payments for weatherization and replacement or repair of heating or cooling devices are excluded.

**WOMEN, INFANTS
AND CHILDREN
(WIC)**

The value of assistance to children under the Supplemental Food Program for Women, Infants and Children (WIC) is excluded and is not entered on TEAMS.

**WORKERS'
COMPENSATION**

Workers' Compensation payments are countable; code 'WC'.

NOTE: If attorney fees are being taken from the Workers' Compensation payments, the gross amount is counted as income because it is legally obligated and payable to the household.

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